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EO 11652: NA

TAGS: UNIDO, PORG, OCON, EIND

SUBJECT: DELEGATION REPORT NO. 3: IDB-XI (MAY 23-JUNE 6, 1977);

AGENDA ITEM 8(F): UNIDO SYSTEM OF CONSULTATIONS

1. SUMMARY: INDUSTRIAL DEVELOPMENT BOARD ELEVENTH SESSION (IDB-XI) WORKING GROUP ON THE UNIDO SYSTEM OF CONSULTATIONS NEGOTIATED FOR TWELVE HOURS ON JUNE 3 AND 4 TO ARRIVE AT AN EIGHT PARAGRAPH IDB DECISION ON THE SYSTEM OF CONSULTATIONS. THIS DECISION, WITH SLIGHT MODIFICATIONS INTRODUCED IN THE PLENARY, WAS ADOPTED BY THE BOARD ON JUNE 6 (TEXT QUOTED IN PARA 6 BELOW), PARAGRAPHS OF OFFICIAL REPORT WHICH REFLECT MAIN POINTS OF IDB PLENARY DISCUSSION, UNDER AGENDA ITEM 8(F) AND AGENDA ITEM 6(B): THE UNIDO PROGRAM BUDGET FOR THE BIENNIUM 1978-1979, ARE QUOTED IN PARA 7 BELOW. ALL U.S. POSITIONS (SEE POSITION PAPER UNEC D-213/77) WERE EITHER EXPLICITLY STATED OR PROTECTED. U.S. STATEMENTS IN PLENARY OF IDB-XI ON THE SYSTEM OF CONSULTATIONS AND ON THE RELATED AGENDA

ITEM OF REDEPLOYMENT OF INDUSTRIES ARE TRANSMITTED BY SEPTTEL. STATEMENTS BY ALL DELEGATIONS, INCLUDING U.S. DEL, INTERPRETING THE UNCLASSIFIED

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DECISION QUOTED IIN PARA 6 BELOW ARE OUTLINED IN PARA 8 BELOW. END SUMMARY.

2. PRINCIPAL U.S. POSITIONS WHICH THE IDB-XI DECISION ADVANCES INCLUDE: (A) CONSULTATION METHODOLOGY REMAINS SUBJECT TO CONTINUING EVALUATION; (B) THE NUMBER OF INDUSTRIAL SECTORS IN WHICH CONSULTATIONS ARE AUTHORIZED

IN 1977, 1978, AND 1979 WAS LIMITED TO FOUR (FERTILIZERS, IRON AND STEEL, LEATHER PRODUCTS, AND VEGETABLE OILS) WITH

POSSIBILITY THAT IDB-XII IN MAY 1978 MIGHT AUTHORIZE TWO ADDITIONAL INDUSTRIAL SECTOR CONSULTATIONS DURING 1978-1979 BIENNIIUM (POSSIBLY AGRICULTUREL MACHINERY, OR PETRO-CHEMICALS, OR CAPITAL GOODS, OR PHARMACEUTICALS); (C) REGIONAL CONSULTATIONS DURING NEXT TWELVE MONTHS ARE LIMITED AS FOLLOWS TO SAME FOUR AUTHORIZED INDUSTRIAL SECTORS, (D) NO CONSULTATIONS WERE AUTHORIZED ON FUNCTIONAL ISSUES, E.G., FINANCING OR TRAINING, PERTINENT TO MORE THAN ONE SECTOR; (E)) POSSIBILITY OF FULL PARTICIPATON BY PRIVATE SECTOR WAS REAFFIRMED, (F) COMPLETE FREEDOM OF GOVERNMENTS TO DECIDE THE BASIS OF PARTICIPATION, IF ANY, BY GOVERNMENT OFFICIALS WAS ALSO REAFFIRMED, AND (G) AN EXPLICIT RECRUITMENT WAS IMPOSED FOR FIRST TIME THAT FINAL REPORTS OF MEETINGS MUST CONTAIN SIGNIFICANT VIEWS EXPRESSED DURING THE DISCUSSION IN ADDITION TO SUCH CONSENSUS CONCLUSIONS AND RECOMMENDTIONS AS MIGHT BE AGREED UPON.

3. WORKING GROUP ON THE SYSTEM OF CONSULTATIONS WAS ONE OF THREE SPECIAL NEGOTIATING GROUPS SET UP AT IDB-XI TO DEAL WITH THE MOST IMPORTANT AND CONTROVERSIAL ITEMS ON THE AGENDA OF 20 SUBSTANTIVE ITEMS. (THE OTHER TWO SPECIAL NEGOTIATING GROUPS DEALT RESPECTIVELY WITH THE UNIDO PROGRAM BUDGET FOR 1978-79 AND WITH THE RELATED ISSUES OF TRANSFER OF TECHNOLOGY, APPROPRIATE TECHNOLOGY, UNCLASSIFIED

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AND THE UNIDO INDUSTRIAL TECHNOLOGICAL INFORMATION BANK.)

4. FACT THAT U.S. REP (STIBRAVY) WAS GROUP B CHAIRMAN AND THAT PRINCIPAL SPOKESMAN FOR GROUP B (OECD COUNTRIES) IN WORKING GROUP WAS 7.S. ALTERNATE REPRESENTATIVE (FIGGINS) FACILITATED INFORPORATION OF U.S. POSITONS INTO TEXT OF BOARD DECISION. OTHER ACTIVE GROUP B DELEGATIONS WERE JAPAN, FRANCE, FRG, AND SWITZERLAND. PRINCIPAL GROUP OF 77 SPOKES-

MAN WAS NIGERIAN CHAIRMAN OF GROUP OF 77 WITH SOME SUPPORT

FROM TRINIDAD AND TOBAGO, MALAYSIA AND INDIA. SINGLE GROUP D (SOVIET BLOC) REPRESENTATIVE IN WORKING GROUP WAS INACTIVE HUNGARIAN CHAIRMAN (ENDRE IVAN) AND UNIDO SECRETARIAT PARTICIPANTS (ABDALLAH HACINI AND RICHAH LINE FROM NEGOTIATIONS SECTION AND ERICH BECKER-BOOST, CHIEF OF JOINT UNIDO/IBRD INVESTMENT PROGRAM AND CHAIRMAN OF IRON AND STEEL CONSUL-

TATION SECRETARIAT TASK FORCE) WERE EVEN-HANDED AND HELPFUL.

5. IN PLENARY DEBATE, U.S. DEL AND SOME OTHER GROUP B DELS
REMAINED UNCONVINCED THAT METHODOLOGY OF CONSULTATIONS HAD
PRODUCED HIGH QUALITY STUDIES WITH INTERNATIONAL REPUTATION
FOR RELIABILITY. MANY G-77 DELS EXPRESSED PREFERENCE THAT
UNIDO SECRETARIAT CONCENTRATE ON LIMITED NUMBER OF INDUSTRIAL
SECTORS, E.G. BRAZIL DEL ADVOCATED ONLY FERTILIZERS AND

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IRON AND STEEL. IN THIS CONTEXT DURING NEGOTIATION OF
PARAGRAPHS ON FUTURE WORK PROGRAM, BECKER-BOOST DE-
SCRIBED ELABORATE SERIES OF STEPS ANY OR ALL OF WHICH SECRETARIAT
ENVISIONS MIGHT BE FOLLOWED IN THE CONSULTATION SYSTEM
FOR ANY GIVEN SECTOR. STEPS (A) THROUGH (G), EXCEPTING
(E), OCCURED DURING 1976 AND 1977 IN THE SECTORS OF
FERTILIZERS AND OF IRON AND STEEL: (A) UNIDO INTERNATION-
AL CENTER FCENTER FOR INDUSTRIAL STUDIES PRODUCES A COMPREHENSIVE
SECTOR STUDY, (B) A PANEL OF EXPERTS CRITIQUE THE STUDY,
(C) THE UNIDO NEGOTIATIONS SECTION PRODUCES A PAPER WHICH
IDENTIFIES EIGHT OR TEN ISSUES WHICH MIGHT BE THE SUBJECT
OF REGIONAL AND WORLD-WIDE CONSULTATINS ON THE SECTOR,
(D) AN EXPERT PREPARATORY MEETING RECOMMENDS FOUR OR FIVE
OF THE MOST SALIENT ISSUES IN THE SECTOR, (E) REGIONAL
CONSULTATION MEETINGS ARE HELD ON THESE ISSUES, (F) A
WORLD-WIDE CONSULTATON MEETING IS HELD ON THESE ISSUES,
(G) THE MEETINGS'S BUREAU DRAFTS A REPORT WHICH INCLUDES
CONSENSUS RECOMMENDATIONS FOR FOLLOW-UP ACTIONS AND IDENTIFIES
PRIORITY SUBJECT AREAS, (H) CONSULTANTS MAKE FOLLOW-UP

STUDIES TO CLARIFY PRESENT LEGAL, ECONOMIC, POLITICAL SITUATION IN PRIORITY SUBJECT AREAS, (I) FOLLOW-UP WORKING-GROUPS EXPLORE POTENTIAL APPROPRIATE GOVERNMENTAL, INTER-UNCLASSIFIED

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GOVERNMENTAL AND NON-GOVERNMENTAL ACTIONS TO INCREASE BOTH EFFICIENCY AND QUALITY OF PRODUCTION IN THE SECTOR, (J) REGIONAL FOLLOW-UP MEETINGS ARE HELD, (K) UNIDO SERVES AS A FORUM FOR NEGOTIATION OF INTERGOVERNMENTAL DECISIONS AT THE REQUEST OF GOVERNMENTS.

6. IDB-XI DECISION READS: QTE 1. THE INDUSTRIAL DEVELOPMENT BOARD, HAVING EXAMINED, WITHIN THE CONTEXT OF THE LIMA DECLARATION AND PLAN OF ACTION AND THE RELEVANT PART OF RESOLUTION 3362 ((S-VII) OF THE SEVENTH SPECIAL SESSION OF THE GENERAL ASSEMBLY, THE REPORT BY THE EXECUTIVE DIRECTOR ON THE ESTABLISHMENT OF A SYSTEM OF CONSULTATIONS (ID/B/179), THE REPORT OF THE MEETING OF THE BUREAU OF THE FIRST CONSULTATION MEETING ON IRON AND STEEL (ID/B/179/ADD.1), THE TWO REPORTS OF THE CONSULTATION MEETINGS ON FERTILIZERS AND IRON AND STEEL (ID/WG.242/8/REV. 1 AND ID/WG.243/6/REV.1) AND OTHER RELEVANT DOCUMENTS, INCLUDING THE PROPOSED 1978-1979 PROGRAMME BUDGET (ID/B/191), COMMENDS THE SECRETARIAT FOR HAVING ORGANIZED EXPEDITIOUSLY CONSULTATION MEETINGS IN TWO SECTORS.

2. THE BOARD BELIEVED THAT EXPERIENCE GAINED UP TO NOW HAS BEEN GENERALLY USEFUL AND COULD THUS PROVIDE A FRAMEWORK FOR FUTURE CONSULTATION MEETINGS AND CONTRIBUTE TO THE EVALUATION OF THIS NEW FORM OF INTERNATIONAL INDUSTRIAL COOPERATION. THE CONSENSUS OF THE CONSULTATION MEETINGS IN IDENTIFYING TOPICS WHICH SHOULD BE STUDIED IN DETAIL WILL FACILITATE THE SECOND STAGE OF CONSULTATIONS ENVISAGED IN THE TWO SECTORS IN 1978. THE BOARD THEREFORE AUTHORIZED THE SECRETARIAT TO CONVENE WORKING GROUPS, AS APPROPRIATE, TO PURSUE FURTHER THE TOPICS RECOMMENDED BY THE CONSULTATION MEETINGS. THE BOARD EMPHASIZED THAT, IN CARRYING OUT THEIR FUNCTIONS, THE WORKING GROUPS SHOULD FOCUS THEIR ATTENTION ON MAKING RECOMMENDATIONS WHICH WOULD

FORM THE BASIS FOR CONCRETE ACTION TO FACILITATE THE UNCLASSIFIED

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DEVELOPMENT OF PRODUCTIVE CAPACITY IN THE APPROPRIATE SECTORS IN DEVELOPING COUNTRIES IN KEEPING WITH THE OBJECTIVES OF THE SYSTEM OF CONSULTATIONS. IN THIS CONNECTION

TION, THE BOARD EXPRESSED THE HOPE THAT CONCRETE RESULTS SHOULD EMERGE FROM THE SECOND CONSULTATION MEETINGS ON THE FERTILIZER INDUSTRY AND THE IRON AND STEEL INDUSTRY.

3. THE BOARD AGREED THAT THE SECRETARIAT SHOULD CONTINUE TO MAKE PREPARATION FOR AND CONVENE CONSULTATION MEETINGS FOR THE LEADER AND LEATHER PRODUCTS INDUSTRY AND VEGETABLE OILS AND FATS INDUSTRY IN 1977 AS WELL AS CARRY OUT FOLLOW-UP ACTION IN THESE SECTORS. WITH REGARD TO ATTENDANCE AT THE FOLLOW-UP WORKING GROUP MEETINGS, THE SECRETARIAT SHOULD ASSUME RESPONSIBILITY FOR THE SELECTION OF PARTICIPANTS, USING SUCH CRITERIA AS INDIVIDUAL EXPERTISE, THE INTERESTS OF THE PARTICIPANTS' COUNTRIES S PRODUCERS, CONSUMERS AND POTENTIAL PRODUCERS, AND WIDE GEOGRAPHICAL DISTRIBUTION. THE BOARD AGREED THAT THE COSTS OF ATTENDANCE NORMALLY SHOULD BE BORNE BY THE PARTICIPANTS THEMSELVES. FOR THE BIENNIUM 1978-79, THE BOARD AUTHORIZED THE SECRETARIAT, IN ADDITION TO THE

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FOLLOW-UP ACTION ON CONSULTATION MEETINGS ON FERTILIZER, IRON AND STEEL, LEATHER AND LEATHER PRODUCTS AND VEGETABLE OILS INDUSTRIES, TO MAKE INITIAL PREPARATIONS FOR CONSULTATIONS ON ADDITIONAL SECTORS SUCH AS AGRICULTURAL MACHINERY, PETROCHEMICALS, CAPITAL GOODS, PHARMACEUTICALS, AND AGRO-BASED INDUSTRIES, SO AS TO FACILITATE THE HOLDING OF CONSULTATION MEETINGS IN ANY TWO OF THESE SECTORS AS MIGHT BE

DECIDED BY THE BOARD AT ITS NEXT MEETING, AFTER CONSIDERING THE RECOMMENDATIONS AND SUPPORTING CRITERIA OF THE SECRETARIAT AND TAKING ACCOUNT OF ALL AVAILABLE RESOURCES.

4. THE BOARD REAFFIRMED THE CONSENSUS OF ITS RESUMED

10TH SESSION AS EXPRESSED IN PARAGRAPH (24(B) OF PART TWO OF DOCUMENTS A/31/16. IN THIS CONNECTION, UNIDO SHOULD ASSIST IN THE FOLLOW-UP ACTIVITIES ON CONSULTATION MEETINGS AS MAY BE REQUESTED BY REGIONAL GROUPS.

5. THE BOARD NOTED THAT CERTAIN ISSUES COMMON TO THE TWO SECTORAL CONSULTATION MEETINGS ON IRON AND STEEL, AND UNCLASSIFIED

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FERTILIZERS, SUCH AS FINANCING, INVESTMENT GUARANTEES AND TRAINING OF INDUSTRIAL MANPOWER, WERE LIKELY TO BE ENCOUNTERED IN OTHER SECTORS. THE BOARD BELIEVED THAT GLOBAL CONSIDERATION OF SUCH ISSUES IN THE CONTEXT OF THE INDUSTRIALIZATION PROCESS AS A WHOLE MIGHT BE ADVISABLE AT THE APPROPRIATE TIME AND DECIDED TO CONSIDER THIS SUBJECT MATTER FURTHER AT ITS NEXT SESSION.

6. THE BOARD REITERATED THE NEED FOR CONSULTATION TO BE HELD AMONG MEMBER COUNTRIES. PARTICIPANTS FROM EACH MEMBER COUNTRY MAY INCLUDE OFFICIALS OF GOVERNMENTS, AS WELL AS REPRESENTATIVES OF INDUSTRY, LABOR, CONSUMER GROUPS, ETC. AS DEEMED APPROPRIATE BY EACH GOVERNMENT AND AS MANY BE ARRANGED BETWEEN GOVERNMENTS AND UNIDO. RELEVANT INTERNATIONAL ORGANIZATIONS MAY BE INVITED TO PARTICIPATE.

7. FINAL REPORTS OF THE MEETINGS SHOULD INCLUDE SUCH CONCLUSIONS AND RECOMMENDATIONS AS AGREED UPON BY CONSENSUS AMONG THE PARTICIPANTS. THE REPORTS SHOULD ALSO INCLUDE OTHER SIGNIFICANT VIEWS EXPRESSED DURING THE DISCUSSION.

8. THE EXECUTIVE DIRECTOR IS REQUESTED TO SUBMIT TO THE BOARD AT ITS 12TH SESSION A REPORT ON THE FURTHER EXPERIENCE GAINED FROM THE CONSULTATIONS AND FOLLOW-UP ACTIVITIES. UNQTE.

7. IDB-XI OFFICIAL REPORT OF PLENARY DISCUSSION READS: QTE

1. AT ITS 217TH MEETING, THE BOARD TOOK UP CONSIDERATION OF AGENDA SUB-ITEM 8(F). IN ITS DELIBERATION ON THAT SUB-ITEM, THE BOARD HAD BEFORE IT THE REPORT OF THE EXECUTIVE DIRECTOR ON THE ESTABLISHMENT OF A SYSTEM OF CONSULTATIONS IN THE FIELD OF INDUSTRY (ID/B/179), THE REPORT OF THE MEETING ON THE MEETING ON THE BUREAU OF THE FIRST CONSULTATION MEETING ON THE IRON AND STEEL INDUSTRY (ID/B/179/ADD.1), AS WELL AS, FOR INFORMATION PURPOSES, THE REPORTS OF THE FIRST CONSUL-

TATION MEETINGS ON THE IRON AND STEEL INDUSTRY AND ON THE
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FERTILIZER INDUSTRY (ID/WG.242/6/REV.1 AND ID/WG.242/8/8REV.1).

2. THE LAUNCHING OF THE SYSTEM OF CONSULTATIONS WAS
GENERALLY REGARDED AS ONE OF THE MAJOR NEW TASKS OF THE
ORGANIZATION SINCE THE SECOND GENERAL CONFERENCE. THE
SECRETARIAT WAS CONGRATULATED ON ITS PROMPT RESPONSE IN
ORGANIZING THE FIRST TWO MEETINGS.

3. GENERAL SATISFACTION WAS EXPRESSED WITH THE RESULTS
OF THE FIRST TWO CONSULTATION MEETINGS. IN THIS CONNEC-
TION IT WAS STATED THAT PRIORITY SHOULD BE GIVEN TO FOLLOW-
UP ACTIVITIES IN ORDER TO FACILITATE PURPOSEFUL RESULTS
DURING THE SECOND MEETINGS ON THOSE SECTORS; SUGGESTIONS
WERE ADVANCED AS TO THE PRIORITY AND NUMBER OF FOLLOW-UP
WORKING GROUPS TO BE CONVENED BY THE SECRETARIAT.

4. SOME CONCERN WAS EXPRESSED ABOUT THE CONSENSUS APPROACH
TO THE FINAL REPORTS OF CONSULTATION MEETINGS; AS THOSE
MEETINGS HAD NO SUMMARY RECORDS, IT WAS REQUESTED THAT THE
REPORTS CONTAIN A FULL REFLECTION OF THE DIFFERENT VIEWS,
EXPRESSED BY PARTICIPANTS. THE SECRETARIAT WAS ALSO URGED
TO INCLUDE RUSSIAN IN THE WORKING LANGUAGES FOR THE WORK-
ING GROUPS.

5. THE VIEW WAS ADVOCATED THAT IN CONSULTATION MEETINGS
DUE REGARD BE GIVEN TO SOCIAL ASPECTS IN THE INDUSTRIAL
DEVELOPMENT PROCESS AND, IN THAT CONTEXT, THE HOPE WAS
EXPRESSED THAT TRADE UNION REPRESENTATIVES WOULD ALSO BE
INVITED TO THE PREPARATORY MEETINGS FOR FUTURE CONSULTA-
TIONS.

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6. THERE WAS DIVERGENCE OF OPINIONS AS REGARDS THE STATUS OF THE CONSULTATION MEETINGS AND PARTICIPANTS. WHILE SUPPORT GIVEN TO A PRAGMATIC APPROACH TO THIS PROBLEM, PARTICULARLY DURING THE EXPERIMENTAL PHASE OF CONSULTATIONS, THERE WAS DISAGREEMENT AS TO WHETHER OR NOT THE LIMA DECLARATION AND PLAN OF ACTION SHOULD BE INTERPRETED AS STIPULATING THE INTERGOVERNMENTAL STATUS OF THE MEETINGS AND THEIR PARTICIPANTS. WITH REFERENCE TO THE DECISION OF THE 10TH SESSION OF THE BOARD, THE NECESSITY OF CONDUCTING CONSULTATIONS AT THE INTERGOVERNMENTAL LEVEL WITH THE PARTICIPATION OF GOVERNMENTS, INDUSTRY, LABOR, CONSUMER GROUPS, ETC. WAS STRONGLY URGED. ON THE OTHER SIDE, IT WAS EXPLAINED THAT THE NATURE OF CERTAIN ECONOMICS REQUIRED THAT PARTICIPANTS FROM INDUSTRY, LABOR, CONSUMER GROUPS, ETC.- WHOSE KNOWLEDGE AND SUBSEQUENT ACTIONS COULD CONTRIBUTE IMPORTANTLY TO THE OBJECTIVES OF THE CONSULTATIONS-SPEAK INDEPENDENTLY RATHER THAN AS MEMBERS OF A GOVERNMENT DELEGATION.

7. AN EXTENSION OF THE EXPERIMENTAL PHASE OF CONSULTATIONS FOR A TWO-YEAR PERIOD WAS ADVOCATED. IT WAS POINTED OUT THAT THE SYSTEM OF CONSULTATIONS WAS CONTINUING IN NATURE, ALTHOUGH SO FAR, IT HAD BEEN EXPERIMENTAL IN ITS MODUS OPERANDI. IT WAS SUGGESTED THAT THE THIRD GENERAL CONFERENCE
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ENCE, FOLLOWING A REVIEW OF THE EXPERIENCE GAINED UP TO THAT TIME, MIGHT DECIDE TO TERMINATE THE EXPERIMENTAL STAGE OF THE CONSULTATIONS.

8. THERE WAS SUPPORT FOR THE VIEW THAT PRIORITY BE GIVEN TO SECTORAL MEETINGS AND THEIR FOLLOW-UP AT PRESENT AND THAT THE PLANNING AND SCHEDULED NUMBER OF SUCH MEETINGS AND THEIR FOLLOW-UP SHOULD BE SELECTIVE AND IN REALISTIC RELATION TO THE LIMITED HUMAN AND FINANCIAL RESOURCES AT UNIO.

9. NOTE WAS TAKEN OF THE SECRETARIAT'S PLANS FOR PREPARATORY ACTIVITIES FOR REGULAR CONSULTATIONS IN THE CONTEXT OF SECTORAL CONSULTATIONS, THOUGH NO CONSENSUS EMERGED

ON THE SCHEDULING OF SUCH MEETINGS. IT WAS MAINTAINED THAT REGIONAL CONSULTATIONS WOULD PROVIDE EFFECTIVE FOLLOW-UP OF THE SECTORAL CONSULTATIONS; IN THIS CONNECTION, IT WAS SUGGESTED THAT REGIONAL CONSULTATION MEETING COVERING SEVERAL SECTORS SHOULD BE RECONVEYED.

10. AS TO CONSULTATIONS AT THE GLOBAL LEVEL, IT WAS SUGGESTED THAT THE SECRETARIAT-GIVING DUE REGARD TO SIMILAR ACTIVITIES CARRIED OUT BY OTHER INTERNATIONAL ORGANIZATIONS IN ORDER TO AVOID DUPLICATION AND TO THE PRIORITY TO BE ACCORDED TO SECTORAL CONSULTATION- START PREPARATORY WORK ON GLOBAL CONSULTATIONS FOR THE BOARD TO REVIEW AT ITS NEXT SESSION. IT WAS FURTHER SUGGESTED THAT SUFFICIENT TIME SHOULD BE ALLOWED DURING THE THIRD GENERAL CONFERENCE FOR ALL GOVERNMENTS TO EXCHANGE VIEWS ON GLOBAL ISSUES.

11. IT WAS STRESSED THAT THE BOARD'S CONSIDERATIONS OF THE RESULTS OF CONSULTATION MEETINGS SHOULD NOT BE RESTRICTED TO FINANCIAL IMPLICATIONS OF THOSE MEETINGS BUT SHOULD EXTEND TO THE SUBSTANTIVE ASPECTS OF RECOMMENDATIONS AND CONCLUSIONS; IN THIS CONTEXT, THE VIEW WAS ADVANCED THAT IT WAS THE BOARD'S PEROGATIVE TO REVIEW

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THE RESULTS OF CONSULTATION MEETINGS.

12. AN OBSERVER FROM ONE OF THE INTER-GOVERNMENTAL ORGANIZATIONS SPOKE ABOUT THE EXPERIENCE OF THE COOPERATION AMONG THE MEMBER STATES OF HIS ORGANIZATION IN THE FIELD OF INDUSTRIAL PRODUCTION. UNQTE. RELEVANT PORTIONS OF IDB OFFICIAL REPORT OF PLENARY WAS WIDELY EXPRESSED THAT THE PROPOSAL TO REQUEST ONLY \$400,000 UNDER THE HEAD OF TEMPORARY ASSISTANCE FOR MEETINGS IN CONNECTION WITH THE SYSTEM OF CONSULTATIONS, INSTEAD OF \$2,124,000 ESTIMATED TO BE NECESSARY FOR THESE ACTIVITIES, WOULD FORCE A SEVERE CURTAILMENT OF THE PROPOSED SCHEDULE OF ACTIVITIES. THE OPINION WAS VOICED THAT THE SCOPE OF PROPOSED ACTIVITIES RELATING TO THE SYSTEM OF CONSULTATIONS SHOULD BE MORE CONCENTRATED AND PURPOSEFUL; IT WAS SUGGESTED THAT THE ACTIVITIES CARRIED OUT UNDER THE SYSTEM OF CONSULTATIONS SHOULD CONTINUE UNTIL THE CONCEPTS AND METHODOLOGIES HAD BEEN FURTHER DEVELOPED AND STAFF RESOURCES MADE AVAILABLE ADDITIONAL TO THOSE PROPOSED FOR 1978-79.

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C O R R E C T E D C O P Y(PARA 9 GARBLED)

12. OBJECTION WAS MADE TO THE REFERENCE IN THE PROGRAM BUDGET DOCUMENT TO "INTER-GOVERNMENTAL" CONSULTATIONS, ON THE GROUNDS THAT THE GENERAL ASSEMBLY HAD ENDORSED THE LIMA DECLARATION AND PLAN OF ACTION, WHICH DID NOT REFER TO INTERGOVERNMENTAL CONSULTATIONS. ON THE OTHER HAND IT WAS STATED THAT THE LIMA ACTION PROGRAM IMPLIED CONSULTATIONS INVOLVING GOVERNMENTS. IT WAS NOTED IN THIS CONTEXT THAT IN THE CONCLUSION ON THE SYSTEM OF CONSULTATIONS, ADOPTED BY THE BOARD AT ITS RESUMED TENTH SESSION, MOST MEMBERS OF THE BOARD'S WORKING GROUP ON THAT SUBJECT HAD OBSERVED THAT IF THE CONSULTATIONS WERE TO BE IN CONFORMITY WITH THE OBJECTIVES OF THE LIMA DECLARATION AND PLAN OF ACTION, CONSULTATIONS SHOULD BE AT THE INTERGOVERNMENTAL LEVEL, WHILE SOME MEMBERS OF THE WORKING GROUP HAD OBSERVED THAT THESE OBJECTIVES COULD BE BETTER ACHIEVED IF THE CONSULTATIONS WERE TO INVOLVE PREDOMINANTLY INTERESTS OTHER THAN GOVERNMENTAL.

13. THERE WAS CONSENSUS THAT THERE SHOULD BE RECOGNITION OF THE PRINCIPLE THAT THE REGULAR BUDGET OF THE UNITED
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NATIONS SHOULD INCLUDE APPROPRIATE PROVISIONS OF CONFERENCE SERVICES FOR THIS NEW FORM OF INTERNATIONAL ECONOMIC COOPERATION. UNQTE.

8. THE FOLLOWING STATEMENTS WERE MADE IN IDB-XI PLENARY EVENING JUNE 6 AT TIME OF APPROVAL OF THE IDB DECISION QUOTED IN PARA 6

ABOVE. SPEAKING TO PARA 6 OF THE DECISION, DEL OF NIGERIA STATED HIS UNDERSTANDING THAT, CONTARY TO AN MPRESSIN IN THE SPANISH TRANSLATION, THE WORKING GROUP WHICH NEGOTIATED IN ENGLISH HAD NOT INTENDED BY LISTING OFFICIALS OF GOVERNMENTS APART FROM LIST OF OTHER PARTICIPANTS TO SUBORDINATE THE STATUS OF GOVERNMENTS VIS--VIS OTHER PARTICIPANTS. U.S. DEL BRIEFLY EXPLAINED THAT IT CONSIDERED THAT THE PHRASE IN DECISION PARA 6, "AS DEEMED APPROPRIATE BY EACH GOVERNMENT AND AS MAY BE ARRANGED BETWEEN GOVERNMENTS AND UNIDO" APPLIED TO ALL PARTICIPANTS LISTED INCLUDING "GOVERNMENTS OFFICIALS". ALSO REFERRING TO DECISION PARA 6, USSR DEL SUGGESTED INSERTING WORD "INTERGOVERNMENTAL" BEFORE WORD "CONSULTATIONS". FRG AND U.S. OBJECTED AND USSR WITHDREW SUGGESTION AND ASKED THAT RECORD SHOW THAT IT INTERPRETS THE DECISION TO MEAN THAT CONSULTATIONS SHOULD BE HELD BETWEEN GOVERNMENTS.

9. U.S. DEL STATED ITS UNDERSTANDING OF PARA 3 OF THE DECISION AS FOLLOWS: "AS FOR THE FINANCIAL FRAMEWORK WITHIN WHICH THE PROGRAM OF ACTIVITIES FOR THE PERIOD 1978-79 IS TO BE DEVELOPED, OUR VIEW IS THAT THESE SHOULD BE ACCOMMODATED WITHIN THE AMOUNTS INDICATED IN THE PREPARED PROGRAM BUDGET FOR THE NEXT BIENNIUM, AND, OF COURSE, UTILIZING SUCH ADDITIONAL MEASURES AS MIGHT BE MADE AVAILABLE BY MEMBER COUNTRIES FOR THIS PURPOSE". FRG DEL ASSOCIATED ITSELF WITH U.S. UNDERSTANDING. FRENCH DEL AGREED WITH IDB DECISION WITH UNDERSTANDING THAT IT IMPLIES UNIDON SHOULD IMPLEMENT THE DECISION CAREFULLY WITHOUT TOO GREAT A MULTIPLICATION OF SECTORS OR TWO GREAT AN EXTENSION OF ACTIVITIES. CONSIDERENT WITH THE NEGOTIATING HISTORY OF DECISIONS, JAPAN DEL INTERPRETED UNCLASSIFIED

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THE PHRASE "AS APPROPRIATE" FOLLOWING BOARD AUTHORIZATION TO SECRETARIAT "TO CONVENE WORKING GROUPS" TO MEAN "AS FEW AS POSSIBLE WORKING GROUPS". FINALLY, TRINIDAD AND TOBAGO DEL, SUPPORTED BY SUDAN DEL, STATED FOR RECORD THAT IT SHOULD BE KEPTIN MIND THAT CONSULTATIONS ARE NOT AN END IN THEMSELVES, BUT A MEANS TO THE END THAT CONCRETE INVESTMENT DECISIONS WILL BE MADE WHICH WILL CREATE INDUSTRIAL PLANTS TO INCREASE INDUSTRIAL PRODUCTION. STIBRAVY

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEETING DELEGATIONS, MEETING REPORTS
Control Number: n/a
Copy: SINGLE
Sent Date: 08-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977VIENNA04620
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770204-0068
Format: TEL
From: VIENNA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770676/aaaacolg.tel
Line Count: 593
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: bd401782-c288-dd11-92da-001cc4696bcc
Office: ACTION IO
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 11
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2221033
Secure: OPEN
Status: NATIVE
Subject: DELEGATION REPORT NO. 3: IDB-XI (MAY 23-JUNE 6, 1977); AGENDA ITEM 8(F): UNIDO SYSTEM OF CONSULTATIONS
TAGS: PORG, OCON, EIND, US, UNIDO
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/bd401782-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
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